

U. S. Department of
Homeland Security

United States
Coast Guard



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DEPARTMENT OF HOMELAND SECURITY

U. S. COAST GUARD

STATEMENT OF THE

MASTER CHIEF PETTY OFFICER OF THE COAST GUARD

FRANKLIN A. WELCH

ON THE

FISCAL YEAR 2007 BUDGET AUTHORIZATION

BEFORE THE

SUBCOMMITTEE ON COAST GUARD AND MARITIME TRANSPORTATION

U.S. HOUSE OF REPRESENTATIVES

MARCH 1, 2006

Good morning, Mr. Chairman and distinguished members of the subcommittee. I am honored to appear before you to discuss my views regarding the Coast Guard's fiscal year 2007 budget request and to provide you with my assessment of the current state of the Coast Guard workforce. This is my last scheduled appearance before this subcommittee as Master Chief Petty Officer of the Coast Guard, as I plan to retire this summer. Therefore, I feel it important to present you with information that will be useful for assessing the morale and general well-being of our service members and their families, along with my views regarding the challenges that they face.

As this subcommittee is aware, 2005 was an exceptional year in terms of mission performance for the Coast Guard. The personnel performing our Coast Guard missions did so in demanding conditions beyond precedent. The selfless dedication of the Coast Guard workforce resulted in a record-high year for seizure rates of illegal drugs and migrants, seizing over 338,000 pounds of cocaine and interdicting nearly 9,500 migrants. Nearly 4,000 Coast Guard personnel responded to the dire needs of Gulf Coast communities in the aftermath of Hurricanes Katrina and Rita, directly rescuing 24,273 people and assisting in the multi-agency evacuation of 9,462 more. While the aforementioned results gained national praise and publicity, the unsung efforts of our pollution response teams, aids to navigation units and personnel support staffs were equally Herculean in the wake of the largest natural disaster in American history.

Petty Officer (PO) Jessica Guidroz of Station New Orleans said it best regarding the sentiments of our workforce during the Coast Guard's unprecedented Hurricane Katrina response efforts. After seeing a lady and her baby that PO Guidroz had previously assisted appear on the evening news, Guidroz said:

"There she was – the lady with the baby. She was in Houston now, and she looked like she'd showered and her kid had on clean clothes. That moment is when it clicked. Here was someone we had actually helped, and it fell into place that we were doing something that really mattered, something really good."

Prior to Hurricane Katrina, the Commandant led an intense internal organizational focus for our people, which in turn led to the tangible mission results and positive publicity garnered from Katrina. I am confident that with the continued legislative and budgetary support of this subcommittee that the U.S. Coast Guard will continue to perform in ways that surpass every American taxpayer's expectation, including my own.

RECRUITING

Successful mission accomplishment begins at our service's recruiting offices. We have 372 of the finest representatives of our service and our core values serving in 100 such offices throughout the country. Fiscal year 2005 was also an impressive year for not only meeting our active duty recruiting targets with highly qualified recruits, but we continued to excel at diversifying our workforce. As a result of our Strategic Metropolitan Area and Recruiting Territory (SMART) national recruiting initiative, community outreach and the personal commitment of our recruiters, the Coast Guard achieved the second highest percentage of active duty minority accessions (35.4 percent) and the third highest percentage of female active duty accessions (15.5 percent) in the history of the Coast Guard.

RETENTION

Not only are we recruiting a quality workforce, but we're also retaining a quality workforce at historical levels. The current retention rates within our officer and enlisted communities are 93 percent and 88.2 percent, respectively. Even at the first-term enlisted level, we are retaining nearly 70 percent of every enlisted accession that our recruiting offices are providing us. These statistical facts verify that our recruiters are seeking and securing high quality people and that our service is rapidly becoming a "service of choice" for young America. Recent career intentions surveys indicate that our workforce is more satisfied with the Coast Guard and more committed to missions than ever before in the history of the survey.

Considering the current hectic pace of operations and every expectation that the pace will continue, I view the Coast Guard's sustained retention success as a key metric of our Commandant's people-based initiatives. We have made significant investments towards enhancing the personal and professional development of our entire workforce. I am certain that we are now enjoying a return on those investments by way of securing a more positive, professional and stable workforce that is as committed to the Coast Guard as the Coast Guard is committed to them.

LEADERSHIP AND TRAINING

Every Coast Guard success is the direct result of leadership, training and empowerment intermixed with the creative genius for which we are well-known. Central to that theme is training; the Coast Guard has placed a renewed emphasis on training our service members to better prepare them for success, particularly in the key leadership arena.

I mentioned last year that we established a senior enlisted Command Master Chief course to better inform and prepare our top enlisted performers to serve in these critical leadership positions. As a result of that course, I currently have over 30 applications to fill half that many vacancies in the summer of 2006, which is a 300 percent increase in qualified applicants. We have also partnered with the Department of Defense to expand our leadership development opportunities beyond the confines of the Coast Guard training system and vice versa. As the Armed Services become more joint in our operations, shared resources and total force understanding becomes an imperative that must begin in our training facilities. I am proud of the relationships that we have forged with the other services and I am enthusiastic regarding the potential to expand those relationships in the future.

I also informed the subcommittee, at last year's hearing, that the Coast Guard had invested in a total redesign of our Enlisted Professional Military Education (EPME) program and expanded our Leadership and Management School (LAMS) opportunities for our mid-grade petty officers and our junior officers. Successful completion of the EPME program is now a pay grade based requirement for advancement eligibility within the enlisted workforce and LAMS expansion will continue this year. LAMS expansion is absolutely key to the training and professional development of our workforce.

In addition to improving our formal and informal training processes, we have identified 28 core leadership competencies for our entire workforce to target. To ensure alignment with and to set clear measurements of individual performance standards, we have also revised and aligned our officer and enlisted evaluation processes in recognition of the need to evaluate our workforce based on leadership.

We pay very close attention to our bi-annual organizational assessment surveys and work hard to minimize any shortfalls that are identified. One such shortfall that impacts retention is dissatisfaction with front-line supervisors. As a result, we have mandated the use of individual development plans that require the front-line supervisor to become more actively involved with the personal and professional development of their subordinates. We are also chartering a petty officer needs assessment to identify the training needs of our future junior petty officers (E-4) and to standardize training requirements for non-petty officers (E2-E4) so that they are more effective in their leadership roles as future petty officers.

The Coast Guard's progress in developing a meaningful leadership training continuum has never been more prevalent than it is today. I am proud of our efforts and remain confident that everything that can be done *is being done* to better prepare our workforce for exceptional service in the future of our nation's Coast Guard.

DEEPWATER

I believe that we are adequately staffed to fulfill our military, multi-mission, maritime responsibilities to the best of anyone's human ability. We demonstrate our abilities to the American and International public day-after-day. In the wake of renewed emphasis on homeland security missions following September 11, 2001, we have grown the workforce in the most methodical of ways possible and we have conducted a thorough review of the requisite skill sets of the Coast Guard workforce of the future. We have adjusted our force structure and related training requirements to ensure that our people have the ability to operate the equipment associated with our fleet of cutters and aircraft that are being acquired through our Deepwater recapitalization initiative. However, there is more to the effective safeguarding of our homeland than just increasing the size of the workforce and our people are facing challenges every single day.

The principal difficulty for our afloat workforce today is that they are trained to serve aboard modern, well-equipped and interoperable assets but in actuality, they are serving aboard the third oldest fleet of ships of 42 similar fleets throughout the world. That fact, in and of itself, is testament to the dedication and resourcefulness of our people who can conquer just about anything, but it doesn't lessen the impact of our current fleet readiness predicament to them or our organizational mission set. In order to maintain our fleet in an acceptable operating status, our people are simply working harder. Patrols at sea are more often than not followed by extensive in-port maintenance. We are working hard to overcome this arduous cycle, and see the Deepwater investments made to date and requested in the 2007 budget as key to solving this problem.

Fiscal year 2005 presented major challenges to the crews assigned to our fleet of legacy cutters. These ships operated less than 50 percent of the time without major equipment casualties, even though our investment per operational day has doubled during the last six years. As quantified in our abstract of operations data base, our legacy fleet sustained a total of 774 unscheduled maintenance and repair days in 2005. This is the equivalent of forfeiting over two years worth (in one year) of scheduled activities, thereby negatively impacting planned operational missions, training, and crew leave and liberty. These are all key factors that govern crew morale and performance. Our people deserve operational assets that are equipped to twenty-first century standards in order to protect our country from its current array of maritime threats. Our Integrated Deepwater System (IDS) recapitalization initiative remains our service's rightful highest priority and we are appreciative of the historical support afforded by this subcommittee.

FAMILY AND UNACCOMPANIED PERSONNEL HOUSING

As I have testified before, as our shore infrastructure continues to age, it requires greater investment in maintenance and improvements. While this statement holds true for many of our shore capital assets, my primary focus today is on the state of our Coast Guard owned family and unaccompanied personnel housing units. Inattention to our family and unaccompanied housing units will ultimately lead to health, safety and morale concerns that are unacceptable to our service members and their families. The Coast Guard's housing units are on average 40 years old, and require significant improvement. This is clearly a situation that will worsen without continued investment and development of alternative programs to ensure acceptable housing for the men and women of the Coast Guard.

We applaud your support of annual basic allowance for housing (BAH) increases that have positively impacted the vast majority of our workforce. The recent adjustment of BAH II to BAH for our reservists on active duty for 30 days was also a moral and financial victory for our critical reserve forces. Adequate housing allowances permit our members to pursue housing that is available within the local economy and reduces the need for owned housing. Of course, this only benefits those people who are assigned to geographical areas that can support the Coast Guard demand for housing. In areas that cannot support our demand, the situation remains more problematic. In those instances, we have expanded Coast Guard leased housing opportunities and utilized inter-service support agreements with the Department of Defense (DoD) to gain access to available DoD housing units. In cases where there is no possibility of market-supplied housing or inter-service support, such as the Cordova, Alaska facility, we have requested FY 2007 funds to recapitalize government-owned housing.

HEALTHCARE

Healthcare is a significant incentive afforded to members of the Armed Services. From an active duty standpoint, the military health care system is one of the most highly respected and easy to navigate healthcare programs in the world. The nearby National Naval Medical Center and Walter Reed Army Medical Facility are exceptional facilities, staffed by professionals that have clearly demonstrated their commitment to providing quality healthcare for our service members and their families.

The Coast Guard workforce's geographic distribution is such that a good number of them are not located near military treatment facilities. However, that does not prevent them from getting access to high-quality health care. These members and their families rely upon the TRICARE provider network that maintains the same access standards as government-operated health facilities. The Department of Defense (DoD) TRICARE managers continue to grow the provider network, strengthening the value and quality of this benefit. As with any large health care system, local concerns are occasionally raised by members and some providers. When these issues arise, DoD and TRICARE contractors work with us to address them. We have made significant progress with TRICARE during the last three years and we request your continued support to ensure that this positive trend continues.

CHILD CARE

Our workforce with children continues to face significant challenges associated with securing affordable, available and accessible child care. Unlike the DoD armed services, the Coast Guard child care system supports less than 3 percent of all Coast Guard children. As I have testified

before, the principal obstacle that prevents our pursuit of traditional child care alternatives for our people is the lack of shore infrastructure in and around our assignment areas that are typically void of DoD resources. Recognizing the needs of our workforce, we chartered a child care needs assessment to evaluate gaps within our child care system. The assessment was completed since my last appearance before you and it indicated a need for the Coast Guard to pursue non-traditional approaches to providing child care. As a result, we are seeking to provide child care services and subsidy in concert with the General Services Administration and the National Association of Child Care Resource and Referral Agencies, while continuing our cost-share utilization of DoD resources where available.

Child care is an issue that is challenging our entire workforce, including those contemplating having children. However, our people who are impacted the most are our single and dual-military members, female active duty members, junior members in high cost areas, parents with younger children, shift workers and recently relocated members. Of those, our single female parents are the most significantly challenged, often resulting in absenteeism and restricted work hours. I view the child care issue as an obstacle that will continue to hamper the retention of women throughout the Armed Forces, particularly those in mid-grade officer and enlisted positions. We will continue our best efforts to minimize the impact that child care requirements have upon our people.

CONCLUSION

Mr. Chairman, the U.S. Coast Guard has a long-standing reputation of using creativity and extreme resourcefulness to overcome the many challenges presented to our workforce; some of which I have shared with you today. With your continued support and that of this important subcommittee, we will sustain our current period of critical transformation to better equip our service members so they more safely and efficiently serve the needs and interests of the United States.

I am honored to have had the privilege to represent our workforce before you during the last four years, and I am grateful for the time and attention that this subcommittee continues to afford the U.S. Coast Guard. Your support and understanding have positively influenced the lives and careers of the Coast Guard's greatest asset – our people.

Thank you. I look forward to answering any questions that you may have.